

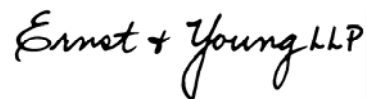
### **Independent Accountant's Report**

We have examined management's assertion, included in the accompanying "Report of Management on Compliance with the Federal Communications Commission's ("FCC") Third Payphone Order," that Global Crossing Telecommunications, Inc. ("Global Crossing" or the "Company") complied with the requirements set forth in Appendix C of the FCC's Report and Order 03-235<sup>1</sup> (the "Order") for the period July 1, 2004 through June 25, 2005. Management is responsible for Global Crossing's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about Global Crossing's compliance based on our examination

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Company's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Company's compliance with specified requirements.

In our opinion, management's assertion that Global Crossing complied with the aforementioned requirements for the period July 1, 2004 through June 25, 2005 is fairly stated, in all material respects.

This report is intended solely for the information and use of Global Crossing and all other parties specified in the Order and is not intended to be and should not be used by anyone other than these specified parties.



June 25, 2005

<sup>1</sup> Refers to the Federal Communications Commission Report and Order CC Docket No. 96-128 *In the Matter of The Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996* Report and Order, released October 3, 2003



## Report of Management on Compliance

### With the Federal Communications Commission's Third Payphone Order<sup>1</sup>

Management of Global Crossing Telecommunications Inc. ("Global Crossing") is responsible for complying with the requirements set forth in Federal Communications Commission (FCC) 03-235 ("Third Payphone Order"). Management also is responsible for establishing and maintaining effective internal control over compliance with the Third Payphone Order. Management has performed an evaluation of the Global Crossing's compliance with the requirements of the Third Payphone Order, including those described below for the period July 1, 2004 through June 25, 2005. Based on this evaluation, we assert that for the period July 1, 2004 through June 25, 2005, Global Crossing complied with the requirements set forth in the Third Payphone Order.

No material changes have occurred concerning Global Crossing's compliance with the criteria<sup>2</sup> of the prior year's System Audit Report.

Global Crossing Telecommunications, Inc.

June 25, 2005

By:

A handwritten signature in dark ink, appearing to read "Jean Mandeville", written over a horizontal line.

Jean Mandeville  
Executive Vice President and  
Chief Financial Officer

<sup>1</sup> The "Third Payphone Order" refers to *In the Matter of The Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-128, Report and Order, FCC 03-2235, released October 3, 2003 by the Federal Communications Commission ("FCC"). The requirement of the Third Payphone Order are set forth in the Appendix C of the above referenced Report and Order.

<sup>2</sup> See Exhibit A of this report for a list of the Third Payphone Order's nine requirements.

## **Exhibit A**

### **Compliance Requirements Covered in the Payphone Audit**

The requirements that were covered in the Payphone Audit are contained in CC Docket No. 92-128, Appendix C – Final Rules, under 64.1320 Payphone Call Tracking System Audits, of the FCC rules and regulations. Below is a listing of those requirements.

The following criteria will be audited to ensure the switch-based (SBR) is in compliance with the order:

1. Whether the Completing Carrier's procedures accurately track calls to completion;
2. Whether the Completing Carrier has a person or persons responsible for tracking, compensating, and resolving disputes concerning payphone completed calls;
3. Whether the Completing Carrier has effective data monitoring procedures;
4. Whether the Completing Carrier adheres to established protocols to ensure that any software, personnel or any other network changes do not adversely affect its payphone call tracking ability;
5. Whether the Completing Carrier has created a compensable payphone call file by matching call detail records against payphone identifiers;
6. Whether the Completing Carrier has procedures to incorporate call data into required reports;
7. Whether the Completing Carrier has implemented procedures and controls needed to resolve payphone compensation disputes;
8. Whether the independent third-party auditor can test all critical controls and procedures to verify that errors are insubstantial; and
9. Whether the Completing Carriers has in place adequate and effective business rules for implementing and paying payphone compensation, including rules used to:
  - i. identify calls originated from payphones;
  - ii. identify compensable payphone calls;
  - iii. identify incomplete or otherwise noncompensable calls; and
  - iv. determine the identities of the payphone service providers to which the Completing Carrier owes compensation.